

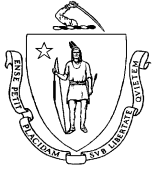
Request for Response

**Commonwealth of Massachusetts IRC 457 Deferred Compensation Plan
& Commonwealth Sponsored Non-Profit Plan
Custody Services**

As Amended December 22, 2011

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Request for Response Office of the State Treasurer and Receiver-General

Address: One Ashburton Place, 12th Floor, Boston, Massachusetts 02108
Telephone #: (617) 367-3900; Fax #: (617) 367-3645
Internet Address: <http://www.state.ma.us/treasury>
RFR File Name/Title: IRC 457 Deferred Compensation Plan – Custody Services
RFR File Number: 11-DC-Custody Services
RFR Contact Person: Anjali Wali

I. SUMMARY AND PURPOSE

The Treasurer and Receiver-General of the Commonwealth of Massachusetts, requests responses from qualified firms interested in providing custodial services to the Commonwealth of Massachusetts IRC 457 Deferred Compensation Plan, (the “Plan”). More detailed descriptions of these services are set forth under **Section VI, Subsection A (“SCOPE OF SERVICES”)**. Additionally, the State Treasurer and Receiver-General reserves the right to contract with the Bidder(s) that are awarded the contract(s) for the Commonwealth’s Deferred Compensation Plan, to provide the same or similar services contemplated by this RFR, under the same or similar terms and at the same proposed and agreed-upon cost for any Commonwealth sponsored retirement plan(s) established for employees of non-profit organizations. (Please see Section VI.A. “SCOPE OF SERVICES” for more information with respect to this aspect of the RFR).

Custodians submitting responses are subject to the provisions in SECTION IV (“SPECIFICATIONS, REQUIREMENTS & COMPONENTS”) and must meet the PHASE I requirements/criteria detailed in Section V, Subsections A & B (“MINIMUM QUALIFICATIONS” and “LEGAL AND OTHER REQUIREMENTS”) and submit mandatory documents as described in Section V, Subsection C (“MANDATORY ATTACHMENTS AND ENCLOSURES”). Please note that Bidder’s should submit one handwritten original of each Mandatory Attachment that requires a signature.

II. GENERAL INFORMATION

To the maximum extent possible the Office of the State Treasurer and Receiver-General (the “Treasury”) is following the rules and regulations set forth in 801 Code of Massachusetts Regulations (“CMR”) 21.00: Procurement of Commodities and Services in this Request for Response (“RFR”). All terms, conditions, requirements, and procedures included in this RFR must be met for a response to be qualified as responsive. A response that fails to meet any material term, condition, requirement or procedure of this RFR may be deemed unresponsive and disqualified. The Treasury reserves the right to waive or permit cure of non-material errors or omissions. **The Treasury reserves the right to modify, amend or cancel the terms of the RFR at any time.** Unless otherwise specified, all communications, responses, and documentation regarding this RFR must be in English, all measurements must be provided in feet, inches, and pounds and all cost proposals or figures in U.S. Currency. All responses must be submitted in accordance with the specific terms of this RFR. No electronic responses may be submitted in response to this RFR

This RFR is in accordance with the World Trade Organization Government Procurement Agreement.

Copies of this RFR may be obtained electronically at the Treasury website at <http://www.mass.gov/treasury> & on Comm-PASS at <http://www.comm-pass.com/>.

THE PMT RESERVES THE RIGHT TO MODIFY, AMEND OR CANCEL THE TERMS OF THIS RFR AT ANY TIME.

III. RFR CALENDAR, INSTRUCTIONS & EVALUATION PROCESS

A. RFR CALENDAR / TIMELINE

This section provides the anticipated timeline for the Office of the State Treasurer and Receiver-General's RFR and vendor selection process with respect to the services sought herein. All dates are subject to modification by the Office of the State Treasurer and Receiver-General at any time, with notice.

- | | |
|----------------------------------|---|
| • Issuance of RFR: | December 7, 2011 |
| • RFR Question Deadline: | December 15, 2011 |
| • Question Response Deadline: | December 22, 2011 |
| • RFR Submission Deadline: | January 18, 2012 |
| • Oral Presentations (OPTIONAL): | February 2, 2012 (may be subject to change) |
| • Contract Award Date: | Week of February 6, 2012 (may be subject to change) |

NOTE: Questions concerning the RFR must be submitted to the RFR Contact Person in writing:

Anjali Wali, Procurement Manager
Office of the State Treasurer and Receiver-General
ATTN: Custody Services
One Ashburton Place, 12th Floor
Boston, Massachusetts 02108
E-mail Address: awali@tre.state.ma.us
Fax: (617) 367-3645

B. RFR INSTRUCTIONS

1. **Response Submission.** The original, plus five (5) hard paper copies, and two (2) compact disks of the Bidder's response and attachments must be delivered to the Office of the State Treasurer and Receiver-General in the same sealed package no later than **4:00 p.m. EST on Wednesday, January 18, 2012. The Cost Proposal may be submitted in the same package as the rest of the Response, but must be submitted under separate cover in a separate sealed envelope labeled "Cost Proposal." Failure to meet this requirement will result in disqualification of the bid.** Responses and attachments received after this deadline date and time will not be evaluated. A facsimile response will not qualify as a "submission" for deadline purposes in advance of or in lieu of a hard copy submission.

Responses and attachments should be delivered to:

Anjali Wali
Procurement Manager
Office of the State Treasurer and Receiver General
ATTN: Custody Services
One Ashburton Place, 12th Floor
Boston, Massachusetts 02108

2. **Response Format.** Failure to follow these formatting requirements may result in the disqualification of the Bidder's response. Please organize your response in the following order:
 - a. Cover Letter
 - b. Table of Contents
 - c. Executive Summary
 - d. Mandatory Attachments (*see* Section III.B.4.g – "Response Provisions" & Section V.C)
 - e. Phase Two Questionnaire.

NO Cost information shall be included anywhere in the response except in a separate sealed envelope (*see* SECTIONS III.B.1, III.B.3)

3. **Cost Proposal.** The Cost Proposal must be submitted under separate cover from the rest of the Response in a separate sealed envelope labeled "Cost Proposal." Failure to meet this requirement will result in disqualification of the bid. Please also note that the Cost Proposal must have an original signature by a person authorized to bind the firm with respect to this RFR. *See Attachment A for Cost Proposal matrix.*

4. **Response Provisions.** When responding to this RFR, Bidders should take note of the following provisions:

- a. The Treasury reserves the right to request additional information from Bidders responding to this request. Additionally, upon reviewing the responses the Treasury may decide to hold oral presentations / interviews and have certain firms make oral presentations/come in for interviews.
- b. The Treasury reserves the right to reject any and all responses to this request, to waive any minor informality in a response, to request clarification of information from any Bidder responding, and to effect any agreement deemed by the Treasury to be in the Commonwealth's best interest with one or more of the Bidders responding. The Treasury reserves the right to amend or cancel this RFR at any time.
- c. All responses and their contents will become the sole property of the Commonwealth/Treasury upon receipt by it and will not be returned to the Bidder.
- d. The Treasury will not reimburse any Bidder for any costs associated with the preparation or submittal of any response to this request or for any travel and/or per diem incurred in any presentation of such responses.
- e. The narrative response should address all items included in each section of the Technical Proposal.
- f. The written response (content) shall be limited to replies totaling **no more than 35 pages, front and back** for which a custodian submits a bid. Any response over this limit, excluding the requested mandatory attachments and exhibits will not be considered. [ADV Forms will not count as a part of the 35-page double-sided page limit].

5. **Disqualification of Responses.** Reasons for disqualification of responses include, but are not limited to:

- a. Late Proposals: Proposals that are received after the deadline date and time shall be automatically disqualified.
- b. Nonresponsive Proposals: A response that fails to meet any material term, condition, requirement or procedure of this RFR may be deemed unresponsive and disqualified. The Treasury reserves the right to waive or permit cure of non-material errors or omissions. Non-responsive proposals shall include, but not be limited to those, which fail to address or meet any mandatory item, and those submitted in insufficient number, or in incorrect format.

- c. Collusion: Collusion by two or more Bidders agreeing to act in a manner intended to avoid or frustrate fair and open competition is prohibited and shall be grounds for rejection or disqualification of a proposal or termination of this contract. Bidders will be required to complete a “Certificate of Non-Collusion” as one of the mandatory attachments.
- d. Debarred Bidders or Subcontractors: A Bidder who is currently subject to any Commonwealth or federal debarment order or determination, shall not be considered for evaluation by the PMT. If a Bidder’s proposal is dependent upon the services of a named subcontractor and the disqualification of this named subcontractor would materially alter the proposal, then that proposal shall be deemed unresponsive if the named subcontractor is found to be debarred. Proposals that indicate that subcontractors will be used but do not rely on any specifically named subcontractor shall not be deemed unresponsive if the disqualification of a proposed subcontractor will not materially alter the proposal.

C. RFR EVALUATION PROCESS

1. Evaluation Process. The RFR Evaluation Process will be conducted in three phases. A review team consisting of staff from the Office of the State Treasury and Receiver-General will complete the Phase One Review for all proposal submissions. The purpose of the Phase One Review is to eliminate any bids that are nonresponsive to the requirements of the RFR. Bids that are deemed to be qualified based on the Phase One Review will be submitted to the PMT for additional review (Phase Two Review). Only after the completion of Phase Two will the sealed cost proposals be opened and evaluated as a part of Phase Three. Prior to the final recommendation, the PMT may request a “Best and Final Offer” from some or all of the Bidders. The PMT will consider any Best and Finals Offers made in a reevaluation of Phase Three. The PMT will make a recommendation to the State Treasurer and Receiver-General who will then accept or reject the recommendation. The State Treasurer and Receiver-General will make the final selection decision. **(Phase One, Phase Two, and Phase Three of this RFR will be evaluated separately).**
 - a. Phase One Review: Bidders responses will be reviewed based on listed criteria and completeness of response, including mandatory attachments and compliance to submission criteria (refer to Section IV: Phase One Requirements beginning on page 14). Bids that do not comply with these components will be rejected and will not proceed to Phase Two Review. The Office of the State Treasurer and Receiver-General reserves the right to waive or permit cure of non-material errors or omissions. Staff at the Office of the State Treasurer and Receiver-General will conduct this portion of the review. Please complete Attachment D (“Mandatory Attachment Checklist”) to ensure completion of required documents and attach it to the cover letter.
 - b. Phase Two Review: Qualified bids, based on the Phase One Review, will be considered for additional review in Phase Two. Scoring criteria for the evaluation of proposals will be as follows:
 - 20% – Organizational Overview/ Client Service & Custody Background
 - 15% – Securities Processing/ Cash management/Systems/Data Processing
 - 25% – Accounting/ Reporting/ Performance Measurement/Analytics/Risk Reports/ Compliance Monitoring
 - 20% – Global Custody/ Foreign Exchange
 - 10% –Transition Process

- **5% – Invest in Massachusetts.** All responsive Bidders/Proposers **must** submit with their bids an *Invest in Massachusetts Data Form* (“IMD Form”). See Section IV.C.15 and Attachment the “Invest in Massachusetts – Instructions” Attachment for further information.
 - **5% – Treasury Supplier Diversity Program (TSDP).** The Office of the State Treasurer and Receiver-General requires all responsive Bidders to submit a *Treasury Supplier Diversity Program Plan Form* (“TSDP Plan Form”) with its response. (See Section IV.C.14 and the “Treasury Supplier Diversity Program Instructions” Attachment for further information on the TSDP Plan Form, and how this section will be scored).
- c. **Phase Three Review:** The Phase Three Review will be conducted for the custody mandate sought in this RFR. Cost will be evaluated in relationship to the Phase Two Review and scoring of Bidders' responses. The Phase Two score will represent 80% and Cost will represent 20% of the Phase Three score in order to determine “best value.” The successful bid will be determined based on the one that represents the “best value” overall and achieves the procurement goals.
- **20% – Cost Proposal:** cost will be evaluated based on the fee for services provided.
 - **80% – Phase Two Criteria.** The total Phase Two score will represent 80% of the Phase Three score.
2. **ORAL PRESENTATIONS / INTERVIEWS.** After completion of Phase One and Phase Two but prior to Phase Three, the PMT shall have the option to invite all or some Bidders to make oral presentations / come in for interviews. Oral presentations/interviews provide the PMT with an opportunity to evaluate the Bidder through the presentation of their proposal. The PMT will limit the number of oral presentations / interviews conducted to the three (3) Bidders that have the top scores following the initial Phase II review. If the PMT decides to have more than three (3) Bidders in for oral presentations/interviews, the PMT will invite all Bidders. Bidders will not be informed of their rank at the time of the oral presentation. Additionally, the PMT reserves the right to adjust any Phase II score following any Oral Presentation / Interview, and before proceeding on to Phase III.
- The time allotments and the format shall be the same for all oral presentations. The PMT will give the Bidder at least three (3) business days’ prior notice regarding the date of an oral presentation. The PMT may waive the location and medium requirements of an oral presentation upon the written request of a Bidder due to special hardships, such as a Bidder with disabilities or limited resources. In these circumstances the PMT may conduct oral presentations through an alternative written or electronic medium (*e.g.*, telephone, videoconference, TTY or Internet). The PMT may require the Bidders assign key personnel to conduct the oral presentation / interview.
- A Bidder is limited to the presentation of material contained in its proposal, with the limited exception that a Bidder may address specific questions posed by the PMT or provide clarification of information contained in its proposal. Any correction or modification of the proposal or the presentation of supplemental information shall be considered prejudicial to the interests of other Bidders and fair competition and shall not be permitted. A Bidder’s attempt to submit such corrections, modifications or supplemental information during an oral presentation may subject the Bidder’s proposal to disqualification. A Bidder’s failure to agree to an oral presentation may result in disqualification from further consideration. Oral presentations may be recorded by the Office of the State Treasurer and Receiver General as a matter of public record.
- Please be advised that in the event the PMT elects to invite Bidders in for an oral presentation/interview, those Bidders not selected for an oral presentation/interview will not proceed to Phase Three of the evaluation process and so those bids will not be further considered by the PMT in connection with this RFR.

3. **On-Site Visits (Optional).** The PMT reserves the right to conduct on-site inspections of any or all Bidder locations at any time prior to the awarding of this contract to verify the Bidder's ability to perform the services required. The PMT shall schedule the time of these site visits and shall provide notice of at least three (3) business days before a visit. Failure to agree to a site visit may result in disqualification of a Bidder's proposal.

IV. SPECIFICATIONS, REQUIREMENTS & COMPONENTS

By submitting a Response to the RFR, the Bidder agrees to and agrees to comply with all of the RFR required specifications, components and requirements listed below in Sections IV A & B:

A. RFR REQUIRED SPECIFICATIONS

1. **Alternatives.** Unless otherwise specified, Bidders should submit responses proposing alternatives that provide equivalent, better or more cost-effective performance than achievable under the stated RFR specifications. These alternatives may include related services that may be available to enhance performance during the period of the contract. The response should describe how any alternative achieves substantially equivalent or better performance to that of the RFR specifications. The Office of the State Treasurer and Receiver-General will determine if a proposed alternative method of performance achieves substantially equivalent or better performance. The goal of this RFR is to provide the best value of commodities and services to achieve the procurement goals of the department. Bidders that propose discounts, uncharged commodities and services or other benefits in addition to the RFR specifications may receive a preference or additional points under this RFR as specified.

Contractors may also propose alternatives for equivalent, better or more cost-effective performance than specified under the Contractor's original response to enable the department to take advantage of enhanced technologies, commodities or services that become available during the term of the contract

2. **Best Value Selection and Negotiation.** The PMT and/or the State Treasurer and Receiver-General may select the response(s) that demonstrates the "Best Value" overall, including proposed alternatives that will achieve the procurement goals of the Office of the State Treasurer and Receiver-General. The PMT and/or the State Treasurer and Receiver-General and the selected Bidder, or Contractor, may negotiate a change in any element of contract performance or cost identified in the original RFR or the selected Bidder's or Contractor's response, which results in lower costs or in a more cost-effective or better value than was presented in the selected Bidder's or Contractor's original response.
3. **Bidder Communication.** Bidders are prohibited from communicating directly with any employees of the Office of the State Treasurer and Receiver-General or any member of the Procurement Management Team ("PMT") regarding this RFR, except as specified in this RFR, and no other individual Commonwealth employee or representative is authorized to provide any information or respond to any question or inquiry concerning this RFR. Bidders may contact the contact person for this RFR in the event this RFR is incomplete or the Bidder is having trouble obtaining any required attachments electronically through Comm-PASS. Failure to observe this rule will result in disqualification

In addition, firms that intend to submit a bid/proposal should not discuss this RFR with members of the Deferred Compensation Plan Committee, employees of the Pension Reserves Investment Management Board ("PRIM"), or any employee of the Commonwealth's current third-party administrator (Great-West Retirement Services), investment managers, consultants (Hewitt EnnisKnupp), legal counsel or other advisors.

4. **Brand Name or Equal.** Unless otherwise specified in this RFR, any reference to a particular trademark, trade name, patent, design, type, specification, producer or supplier is not intended to restrict this RFR to any manufacturer or proprietor or to constitute an endorsement of any service. The Office of the State Treasurer and Receiver-General will consider clearly identified offers of substantially equivalent services submitted in response to such reference.
5. **Comm-PASS.** Comm-PASS is the official system of record for all procurement information which is publicly accessible at no charge at www.comm-pass.com. Information contained in this document and in each tab of the Solicitation, including file attachments, and information contained in the related Bidders' Forum(s), are all components of the Solicitation.

Bidders are solely responsible for obtaining all information distributed for this Solicitation via Comm-PASS, by using the free Browse and Search tools offered on each record-related tab on the main navigation bar (Solicitations and Forums). Forums support Bidder submission of written questions associated with a Solicitation and publication of official answers. All records on Comm-PASS are comprised of multiple tabs, or pages. For example, Solicitation records contain Summary, Rules, Issuer(s), Intent or Forms & Terms and Specifications, and Other Information tabs. Each tab contains data and/or file attachments provided by the Procurement Management Team. All are incorporated into the Solicitation.

It is each Bidder's responsibility to check Comm-PASS for:

- Any addenda or modifications to this Solicitation, by monitoring the "Last Change" field on the Solicitation's Summary tab, and
- Any Bidders' Forum records related to this Solicitation (see Locating a Online Bidders' Forum for information on locating these records).

The Commonwealth accepts no responsibility and will provide no accommodation to Bidders who submit a Response based on an out-of-date Solicitation or on information received from a source other than Comm-PASS.

Bidders may not alter (manually or electronically) the RFR language or any RFR component files. Modifications to the body of the RFR, its specifications, or terms and conditions, which change the intent of this RFR are prohibited and may disqualify a response.

6. **Comm-PASS SmartBid Subscription.** Bidders may elect to obtain an optional SmartBid subscription which provides value-added features, including automated email notification associated with postings and modifications to Comm-PASS records. When properly configured and managed, SmartBid provides a subscriber with:
 - A secure desktop within Comm-PASS for efficient record management;
 - A customizable profile reflecting the subscriber's product/service areas of interest;
 - A customizable listing in the publicly accessible Business Directory, an online "yellow-pages" advertisement;
 - Full-cycle, automated email alert whenever any record of interest is posted or updated;
 - Access to Online Response Submission, when allowed by the Issuer, to support: paperless bid drafting and submission to an encrypted lock-box prior to close date; electronic signature of OSD forms and terms; agreement to defer wet-ink signature until Contract award, if any; withdrawal of submitted bids prior to close date; and online storage of submitted bids.

Every public purchasing entity within the borders of Massachusetts may post records on Comm-PASS at no charge. Comm-PASS has the potential to become the sole site for all public entities in Massachusetts. SmartBid fees are only based on and expended for costs to operate, maintain and develop the Comm-PASS system.

7. **Conflict of Interest.** Prior to award of any contract, the Bidder/Vendor shall certify in writing to the procuring agency that no relationship exists between the Bidder/Vendor and the procuring or contracting agency that interferes with fair competition or is a conflict of interest, and no relationship exists between the Bidder/Vendor and another person or organization that constitutes a conflict of interest with respect to a state contract. The Office of the State Treasurer and Receiver-General may waive this provision, in writing, if these activities of the Bidder/Vendor will not be adverse to the interests of the Commonwealth. No official or employee of the Commonwealth who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this project shall, prior to the completion of the project, voluntarily acquire any personal interest, either directly or indirectly, in this contract or proposed contract.

The Bidder shall provide assurance that it presently has no interest and shall not acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder. The Bidder shall also provide assurances that no person having any such known interests shall be employed during the performance of this contract.

8. **Costs.** Costs that are not specifically identified and defined in the Bidder's response, and accepted by the Office of the State Treasurer and Receiver-General as part of a Contract, will not be compensated under any Contract awarded pursuant to this RFR. The Commonwealth will not be responsible for any costs or expenses incurred by Bidders responding to this RFR.
9. **Electronic Communication/Update of Bidder's/Contractor's Contact Information.** It is the responsibility of the prospective Bidder and awarded Contractor to keep current the E-mail address of the Bidder's contact person and prospective contract manager, if awarded a contract, and to monitor that E-mail inbox for communications from the PMT, including requests for clarification. The PMT and the Commonwealth assume no responsibility if a prospective Bidder's/awarded Contractor's designated E-mail address is not current, or if technical problems, including those with the prospective Bidder's/awarded Contractor's computer, network or Internet service provider (ISP) cause E-mail communications sent to/from the prospective Bidder/awarded Contractor and the PMT to be lost or rejected by any means including E-mail or spam filtering.
10. **Environmental Response Submission Compliance.** In an effort to promote greater use of recycled and environmentally preferable products and minimize waste, all responses submitted should comply with the following guidelines:
- All copies should be printed double sided.
 - All submittals and copies should be printed on recycled paper with a minimum post-consumer content of 30% or on tree-free paper (i.e., paper made from raw materials other than trees, such as kenaf). To document the use of such paper, a photocopy of the ream cover/wrapper should be included with the response.
 - Unless absolutely necessary, all responses and copies should minimize or eliminate use of nonrecyclable or nonreusable materials such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. Three ringed binders, glued materials, paper clips, and staples are acceptable.
 - Bidders should submit materials in a format which allows for easy removal and recycling of paper materials.
 - Bidders are encouraged to use other products that contain recycled content in their response documents. Such products may include, but are not limited to, folders, binders, paper clips, diskettes, envelopes, boxes, etc. Where appropriate, bidders should note which products in their responses are made with recycled materials.
 - Unnecessary samples, attachments, or documents not specifically asked for should not be submitted.
11. **Estimated Provisions.** The Office of the State Treasurer and Receiver-General makes no guarantee that any commodities or services will be purchased from any contract resulting from this RFR. Any estimates and/or past or current procurement volumes referenced in this RFR are

included only for the convenience of Bidders, and are not to be relied upon as any indication of future purchase levels.

12. **HIPAA: Business Associate Contractual Obligations.** Bidders are notified that any department meeting the definition of a Covered Entity under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) will include in the RFR and resulting contract sufficient language establishing the successful bidder's contractual obligations, if any, that the department will require in order for the department to comply with HIPAA and the privacy and security regulations promulgated thereunder (45 CFR Parts 160, 162, and 164) (the Privacy and Security Rules). For example, if the department determines that the successful bidder is a business associate performing functions or activities involving protected health information, as such terms are used in the Privacy and Security Rules, then the department will include in the RFR and resulting contract a sufficient description of business associate's contractual obligations regarding the privacy and security of the protected health information, as listed in 45 CFR 164.314 and 164.504 (e), including, but not limited to, the bidder's obligation to: implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the protected health information (in whatever form it is maintained or used, including verbal communications); provide individuals access to their records; and strictly limit use and disclosure of the protected health information for only those purposes approved by the department. Further, the department reserves the right to add any requirement during the course of the contract that it determines it must include in the contract in order for the department to comply with the Privacy and Security Rules. Please see other sections of the RFR for any further HIPAA details, if applicable.
13. **Minimum Bid Duration.** Bidder responses/bids made in response to this RFR must remain in effect for 120 days from the date of bid submission and thereafter until either the Bidder withdraws the response in writing, a contract is executed or the procurement is canceled, whichever occurs first
14. **Public Records.** All responses and information submitted in response to this RFR are subject to the Massachusetts Public Records Law, Massachusetts General Laws ("M.G.L."), Chapter 66, Section 10, and Chapter 4, Section 7, Subsection 26. Any statements in submitted responses that are inconsistent with these statutes will be disregarded. Bidders are advised that all proposals are deemed sealed, and therefore their contents will be treated as confidential and will not be disclosed to competing Bidders until the evaluation process has been completed, the contract has been awarded and negotiations are finalized.
15. **Reasonable Accommodation.** Bidders with disabilities that seek reasonable accommodation, which may include the receipt of RFR information in an alternative format, must communicate such requests in writing to the contact person. Requests for accommodation will be addressed on a case-by-case basis. A Bidder requesting accommodation may be required to confirm his or her request in writing to the contact person. The request must state that it is based on a disability and specifically identify the accommodation desired. Although entities of the Commonwealth will make all reasonable efforts to accommodate the requests of Bidders with disabilities, they reserve the right to reject unreasonable requests.
16. **Restriction on the Use of the Commonwealth Seal.** Bidders and contractors are not allowed to display the Commonwealth of Massachusetts Seal in their bid package or in any subsequent marketing materials if they are awarded a contract. Use of the coat of arms and the Great Seal of the Commonwealth for advertising or commercial purposes is prohibited by law.
17. **Prohibition Against Selling or Distributing Information.** Any Bidder awarded a contract under this RFR is prohibited from selling or distributing any information collected or derived from the contract and/or procurement process, including lists of participating or eligible Commonwealth of Massachusetts employee names, telephone numbers, email addresses or addresses.

B. COMPONENTS OF PROCUREMENT

1. **Duration and Renewal Options.** The State Treasurer and Receiver-General intends to enter into a five (5) year contract with the selected Bidder(s) for the services solicited in this RFR. The State Treasurer and Receiver-General may, at his option, extend the contract for additional one year period(s) for a maximum contract term not exceeding ten (10) years, under the same or better terms and conditions as negotiated if deemed in the best interest of the Commonwealth. Bidders who offer price guarantees for the life of the contract will be held to that offer or such better terms as are negotiated.
2. **Acquisition Method.**

<input type="checkbox"/> Outright Purchase	<input type="checkbox"/> Tax-exempt Lease Purchase
<input type="checkbox"/> License	<input type="checkbox"/> Term Lease
<input checked="" type="checkbox"/> Fee for Service	<input type="checkbox"/> Lease Purchase
	<input type="checkbox"/> Rental (not to exceed 6 months)
	<input type="checkbox"/> Other (specify)
3. **Single or Multiple Contracts.** The State Treasurer and Receiver-General reserves the right to award the contract to a single vendor or multiple vendors, in the best interest of the Office of the State Treasurer and Receiver-General and the Commonwealth of Massachusetts Deferred Compensation Plan. The Bidder must agree to cooperate with such other Bidders, and must not commit or permit any act that may interfere with the performance of work by any other Bidder.
4. **Contract Guidelines.** (Those that apply are checked.)

<input checked="" type="checkbox"/> Only the Office of the State Treasurer and Receiver-General may contract under RFR
<input type="checkbox"/> Option to allow other Departments/political subdivisions to contract under RFR
<input type="checkbox"/> Statewide Contract
<input type="checkbox"/> Multi-Treasury User Contract
<input type="checkbox"/> Pre-Qualification List
5. **Anticipated Expenditures, Funding or Compensation for Expected Duration.** Subject to selected Bidder's quotes and rates, subject to negotiation.
6. **Contract Performance and Additional Business Specifications.**
 - a. **Evaluation and Selection of Contractor.** The Office of the State Treasurer and Receiver-General shall have sole authority to evaluate and make the final selection of Bidder(s) for contract negotiation(s) pursuant to this RFR. The selection will be made after evaluation of both technical and cost proposals by the PMT and final approval by the State Treasurer and Receiver-General.
 - b. **Change in Terms.** The Office of the State Treasurer and Receiver-General reserves the right to modify the specifications identified in the RFR at any time prior to the closing date. The Office of the State Treasurer and Receiver-General reserves the right to negotiate with the selected Bidder(s) as to any element of cost or performance, including without limitation, elements identified in the RFR and/or the selected Bidder's response in order to achieve the best value for the Commonwealth. The Office of the State Treasurer and Receiver-General reserves the right to request from any Bidder a "best and final offer" as to the Bidder's proposal or cost proposal.
 - c. **Termination or Suspension.** Vendor/Contractor's services may be terminated or suspended from the Office of the State Treasurer and Receiver-General's contract for various reasons, including but not limited to poor performance, failure to perform, fraud or other cause

immediately upon written notice by the Treasury. Vendors/contractors may be terminated from the contract without cause upon thirty (30) days prior written notice. The Vendor/Contractor may not terminate the contract or performance thereunder except upon a minimum of 180 days written notice to the Office of the State Treasurer and Receiver-General. Other terms regarding contract termination are subject to negotiation between the selected Bidder(s) and the Office of the State Treasurer and Receiver-General.

- d. **Permits and Compliance.** The Vendor/Contractor shall procure and pay for all permits, licenses and approvals necessary to perform the services solicited in this RFR. The Vendor/Contractor shall comply with all applicable laws, ordinances, rules, orders and regulations related to the performance of the services solicited. The Office of the State Treasurer and Receiver-General may, at its option, request documentation evidencing the Vendor/Contractor's compliance.
- e. **Rejection of Proposals.** The Office of the State Treasurer and Receiver-General reserves the right to reject any and all proposals submitted under this solicitation.
- f. **Fees Subject to Office of the State Treasurer and Receiver-General Signatory Authorization.** All fees must be approved by the State Treasurer and Receiver-General or his designee and are subject to verification of performance.
- g. **Confidentiality Policy Regarding Bidder's Support Staff and/or Vendors.** The Office of the State Treasurer and Receiver-General may require Bidders' support staff or outside vendors to sign a confidentiality agreement for the confidential information they will have or have access to.
- h. **Subcontracting Policies.** Prior approval of the department is required for any subcontracted service of the contract. Contractors are responsible for the satisfactory performance and adequate oversight of its subcontractors. Human and social service subcontractors are also required to meet the same state and federal financial and program reporting requirements and are held to the same reimbursable cost standards as contractors.
- i. **Contract Expansion.** If additional funds become available during the contract duration period, the department reserves the right to increase the maximum obligation to some or all contracts executed as a result of this RFR or to execute contracts with contractors not funded in the initial selection process, subject to available funding, satisfactory contract performance and service or commodity need.
- j. **Concurrent Contracts Running (Renewals and Transitions).** The Treasurer and Receiver-General shall cancel the contract if funds are not appropriated or otherwise made available to support continuation of performance in any fiscal year succeeding the first year or if satisfactory performance by the contractor does not ensue. The Treasurer and Receiver-General will also have the right to sole discretion in exercising an option to renew, which will not be subject to contractor acceptance or agreement. Any assistance required for this transition must be provided in a smooth and timely manner. If at any time the contract is canceled, terminated or expires, and a contract is subsequently executed with a firm other than the contractor, the contractor has the affirmative obligation to assist in the smooth transition of contract services to the subsequent contractor.
- k. **Pricing: Federal Government Services Administration (GSA) or Veteran's Administration Supply.** The Commonwealth reserves the right to request from the successful Bidder(s) initial pricing schedules and periodic updates available under their GSA or other federal pricing contracts. In the absence of proprietary information being part of such contracts, compliance for submission of requested pricing information is expected within 30 days of any request. If the contractor receives a GSA or Veteran's Administration Supply

contract at any time during this contract period, it must notify the Commonwealth contract manager. The Commonwealth requires the same rate if it is more favorable.

- l. **Pricing: Price Limitation:** The Bidder must agree that no other state or public entity customer within the United States of similar size and with similar terms and conditions shall receive a lower price for the same commodity and service during the contract period, unless this same lower price is immediately effective for the Commonwealth. If the Commonwealth believes that it is not receiving this lower price as required by this language, the Bidder must agree to provide current or historical pricing offered or negotiated with other state or public entities at any time during the contract period in the absence of proprietary information being part of such contracts.
- m. **Submission of Proposal Materials and Oral Presentation.** All materials, representations and submissions made within the proposal and at the oral presentation are subject to becoming part of the contract binding the selected bidder to uphold the materials, representations and submissions made by the selected bidder within the proposal and at the oral presentations.
- n. **Fiduciary Status of the Consultant; Chapter 268A.** With respect to the performance of its duties and responsibilities hereunder, the Consultant/contractor/firm acknowledges that it is a fiduciary, and that the Consultant/contractor/firm will discharge its duties and responsibilities under this Agreement in accordance with the fiduciary standards of conduct and other requirements as they apply to the Consultant/contractor/firm. The Consultant/contractor/firm is advised of the existence of Massachusetts General Laws, Chapter 268A (the Massachusetts "Conflict of Interest" statute), and is required to act and perform its duties in accordance with such provisions.

V. PHASE ONE REQUIREMENTS

Compliance with all criteria listed below is **mandatory** in order for a bid to be accepted for further review. Lack of compliance with the Phase I criteria will automatically disqualify the Bidder. Phase One of Bidder's response should demonstrate compliance with each of the conditions qualifying an institution to propose as outlined below.

A. MINIMUM QUALIFICATIONS

Bidders submitting Proposals must meet the following minimum qualifications to be given further consideration in the Office of the State Treasurer and Receiver-General's search for custody services. Failure of a Bidder to meet the minimum qualifications applicable to this RFR for custody services will result in immediate rejection. The Bidder's response to each minimum qualification component should be "yes" or "no" followed by a detailed statement of explanation. **Please be advised that Bidders are requested to specifically describe how the Bidder meets each of these minimum qualifications. Bidder may elaborate on its responses to this section on the "Representations and Warranties" Attachment B.**

Minimum Requirements:

- a. *As of September 30, 2011, greater than \$1 trillion in assets under custody.*
- b. *As of September 30, 2011, a minimum of 10 defined contributions clients.*
- c. *Minimum of 10 years of global trust/custody service experience.*
- d. *Must have a fully integrated global accounting system that is capable of providing daily valuation.*

- e. *Must execute all non- restricted FX transactions via negotiated trades.*
- f. *Ability to provide daily NAV calculations for unitized separate account vehicles.*
- g. *Ability to provide global custody services.*

B. LEGAL AND OTHER REQUIREMENTS

***On the Bidder's letterhead, signed by an individual with the authority to bind the firm, please address/respond to each of the requirements listed in this section. (Where you are asked to provide documentation, please just indicate whether or not the requested document(s) has been attached).**

1. **Solvency.** Certification that the Bidder has not been in bankruptcy and/or receivership within the last three (3) calendar years.
2. **Corporate Good Standing.** If incorporated, identification of the Bidder's state of incorporation and a statement that it is in good standing in that state and has complied with all filing requirements of the state of incorporation. If the state of incorporation is not Massachusetts, please also include a statement that the company agrees to comply with all filing requirements of the Secretary of Commonwealth within thirty (30) days of contract award if selected.
3. **Licenses and Registrations.** A statement that the Bidder meets all applicable state and federal requirements, and has all the licenses and registrations necessary to perform the contract.
4. **Pending Litigation.** Details of any pertinent judgment, criminal conviction, investigation or litigation pending against the Bidder or any of its officers, directors, employees, agents, or subcontractors of which the Bidder has knowledge or a statement that there are none. The Office of the State Treasurer and Receiver-General reserves the right to reject a response based on this information. If separate responses are required for different divisions or subsidiaries of the Bidder, the Bidder must submit a separate response for each division or subsidiary.
5. **Compliance with RFR Requirements.** A statement that the Bidder agrees to meet every specification, requirement, or condition set forth in the RFR. (This statement will not be deemed to encompass any requirement or condition for which the RFR indicates that a preference may or will be given by the Office of the State Treasurer and Receiver-General. Only a Bidder seeking the preference must meet any such requirement or condition.)
6. **Ratings.** If selected to provide any services solicited through this RFR, the financial institution must agree to notify the Office of the State Treasurer and Receiver General of any changes to its ratings by federal or state regulatory agencies and issuers approved by the State Treasurer and Receiver-General.
7. **Fidelity Bond or Certificate of Liability Insurance.** A copy or proof of any fidelity bond or liability insurance policy extending to any or all employees who perform work under the contract are covered.
8. **Cease and Desist.** If selected for any services solicited through this RFR, the financial institution must agree to immediately notify the Office of the State Treasurer and Receiver-General of any cease and desist order issued.
9. **Confidentiality.** The Bidder must submit a statement acknowledging that all materials and information provided to the Contractor by the Office of the State Treasurer and Receiver-General or acquired by the Contractor on behalf of the Office of the State Treasurer and Receiver-General shall be regarded as confidential information in accordance with Federal and State law, and ethical standards. The contractor must take all necessary steps to safeguard the confidentiality of such

materials or information. Furthermore, each party will sign a mutually agreed upon confidentiality statement.

C. MANDATORY ATTACHMENTS AND ENCLOSURES

Phase One of the Bidder's response shall include the completed mandatory attachments listed below. Any attachments referenced in this RFR as a document required to be filed can be found in Comm-PASS with this RFR. Many of the required documents referenced in this RFR are also available at the OSD website, www.mass.gov/osd, in the [OSD Forms](#) section. All mandatory attachments should be signed by an individual with the authority to bind the Firm, and the "originals" should have an original signature in blue ink.

These documents may be downloaded and printed for you to complete and submit. If you do not understand these instructions or you require additional assistance, please contact the OSD/Comm-PASS help desk at 1-888-627-8283. Note: The mandatory attachments indicated below are in addition to the inclusion of the RFR questions and answers and must be attached to the bidder's response.

Please complete Attachment D ("Mandatory Attachment Checklist") to ensure completion of each mandatory item and attach it to the cover letter. The Bidder's response must include all completed mandatory attachments/items listed below:

1. **Cover Letter** (signed). The Response must include an original and five (5) hard paper copies of the cover letter, which will be considered an integral part of the Proposal. The cover letter must be signed by at least one individual who is authorized to bind the firm contractually and must include:
 - a. The firm name
 - b. The firm address
 - c. The firm telephone/fax number/email address
 - d. The client contact
 - e. The title or position which the signer of the cover letter holds in the firm
 - f. A statement to the effect that the Proposal is a firm and irrevocable offer that will be valid for 120 days from the date of submission
2. **Executive Summary**. Please submit an executive summary consisting of not more than three pages that summarize the contents of the Response with the firm's name located on the top of the page. The Executive Summary shall be attached to the cover letter.
3. **Questionnaire**. SECTION VII – Custody Services
4. **Cost Proposal** (signed). The original and five (5) copies of the cost proposal, **Attachment A**, must be placed in **a separate, sealed envelope**, clearly identified on the outside as "Cost Proposal." (Please see Section III.B.3 of this RFR for more specific instructions).
5. **Representations and Warranties** (signed). The Representations and Warranties contained in **Attachment B** must be completed and signed by an authorized officer of the firm.
6. **Disclosure Statement** (signed). Attached to this RFR, as Attachment C, is a Disclosure Statement that each firm submitting a Proposal must complete and submit.
7. **Consultant Contractor Mandatory Submission Form** (completed/signed). Each Bidder must complete and return this form with its response, even if not applicable, in order to be considered responsive.

8. **Commonwealth Terms and Conditions** (signed). The Commonwealth Terms and Conditions shall be incorporated by reference into any contract for services executed pursuant to this RFR. A Bidder is required to execute the Commonwealth Terms and Conditions only once. Complete all blanks and required information fully and accurately without modification.
9. **Standard Contract Form and Instructions** (signed). This form must be executed in order to be awarded a contract. This form must be completed and returned as part of the Bidder's RFR response. This document shall not become a final contract unless and until the Office of the State Treasurer and Receiver-General accepts the Bidder's response and the Standard Contract Form is executed by an authorized signatory of the Office of the State Treasurer and Receiver General.
10. **Request for Taxpayer Identification Number and Certification (W-9)** (signed). The W-9 Form must be completed and signed.
11. **Contractor Authorized Signature Verification Form** (signed & notarized). If the Bidder is a corporation, partnership or other business entity, complete the form as indicated. This completed form should include the name and signature of any individuals authorized to bind the firm with respect to this RFR.
12. **Business Reference Form**. Bidders must (in addition to questionnaire responses) identify three (3) customer references for which the Bidder has performed similar services to those described in this RFR or customers that can confirm the quality of the bidder's performance on previous contract work.
13. **Tax Compliance Certification** (certificate / proof of application). The Bidder must demonstrate that it is in compliance with all Federal and Commonwealth tax laws (regardless of corporate locations) including M.G.L. Chapter 62C, Section 49A. The Bidder must submit an original or photocopy of a Certificate of Tax Compliance in Good Standing, which has been issued by the Commonwealth of Massachusetts Department of Revenue (DOR) within the past year. This Certificate may be obtained by submitting a request to:

Taxpayer Services Division, Certificate Unit
Department of Revenue
PO Box 7066
Boston, Massachusetts 02204
(617) 887-6550

The application must list the tax types for which the business is liable, including such items as meals, room occupancy, sales, use, withholding, corporate income and others as applicable. The issuance of the certificate normally takes several weeks, and as such, Bidders should indicate that their request for a certificate is sought in connection with a Commonwealth solicitation (with a deadline). If the Bidder does not submit the requested tax certificate with the proposal, the Bidder must submit documentation evidencing that the appropriate application has been filed. Evidence includes: facsimile transmittal, mailing receipt, receipt-stamped application, etc. The Certificate must be issued and provided to the Office of the State Treasurer and Receiver-General prior to the final execution of the Standard Contract Form.

14. **Treasury Supplier Diversity Program (TSDP) Plan Form** (signed). The Office of the State Treasurer and Receiver-General ("Treasury") is committed to developing and strengthening Minority and Women Business Enterprises (M/WBEs) and expanding equal opportunity in the primary and any secondary industries affected by this RFR. Consequently, the Treasury requires all responsive Bidders to submit a *Treasury Supplier Diversity Program Plan Form* ("TSDP Plan Form") with its response. Bidders that clearly demonstrate the intent to further the development of M/WBEs or the existence of a relationship which does further these goals will receive favorable consideration from the PMT. Additionally, a Bidder, which is a Massachusetts SDO certified vendor, may be found "Advantageous," based on the Bidder's Massachusetts certification status.

(See “Treasury Supplier Diversity Program Instructions” Attachment for further information on the TSDP Plan Form, and how this section will be scored. This Attachment and the TSDP Plan Form can be found on the Comm-Pass Website at www.comm-pass.com under the “Forms & Terms” Tab for this solicitation).

Treasury Supplier Diversity Program Subcontracting Policies. Prior approval of the Treasury is required for any subcontracted service of the contract. The Treasury may define required deliverables including, but not limited to, documentation necessary to verify subcontractor commitments and expenditures with Minority- or Women-Owned Business Enterprises (M/WBEs) for the purpose of monitoring and enforcing any compliance of subcontracting commitments made in a bidder’s *Treasury Supplier Diversity Program Plan Form* (TSDP Plan Form). Contractors are responsible for the satisfactory performance and adequate oversight of its subcontractors.

15. **Invest in Massachusetts Plan:** The Office of the State Treasurer and Receiver-General (“Treasury”) encourages investment in our local economy and is committed to advancing the creation and preservation of jobs in the Commonwealth. Consequently, all responsive Bidders/Proposers must submit with their bids an *Invest in Massachusetts Data Form* (“IMD Form”). See the “Invest in Massachusetts – Instructions” Attachment for further information. Both this Attachment and the IMD Form can be found on the Comm-Pass Website at www.comm-pass.com under the “Forms & Terms” Tab for this solicitation).
16. **Certificate of Non-Collusion.** Bidders are advised that they are required to certify that the bid that they are submitting has not been arrived at because of any collusive activity.
17. **Fidelity Bond or Certificate of Liability Insurance.** As directed in Section IV.B.7, of this RFR, Bidders are required to provide a copy or proof of any fidelity bond or liability insurance policy extending to any or all employees who perform who perform work under the contract.
18. **ADV Form I.** Per Section V.A.1, - “Minimum Qualifications.”
19. **Executive Order 504 Form.** Effective January 1, 2009, [Executive Order 504](#) establishes new requirements designed to adopt and implement the maximum feasible measures reasonably needed to ensure the security, confidentiality and integrity of personal information, as defined in [M.G.L. c. 93H](#) and personal data, as defined in [M.G.L. c. 66A](#), maintained by state agencies (herein collectively “personal information”). The Executive Order applies to all state agencies in the Executive Department, including all executive offices, boards, commissions, agencies, departments, divisions, councils, bureaus, and offices, now existing and hereafter established. The Executive Order 504 Form can be found on the “Forms and Terms” Tab of the Solicitation on Comm-Pass.

VI. SCOPE OF SERVICES & PHASE TWO QUESTIONNAIRES

A. SCOPE OF SERVICES

The purpose of this Request for Response is to select one or more firms to provide custodial services for the Commonwealth of Massachusetts 457 Deferred Compensation Plan and at some future time, any Commonwealth sponsored retirement plan established for Employees of Non-Profit Organizations. The responsibilities of the custodian under the contract shall include, but not be limited to, the following:

1. **Public Markets Separate Account Portfolios.** On a daily basis, for all the U.S. and non-U.S. equity and fixed income separate account portfolios:

- Reporting and record keeping.
 - Reconciliation of cash flows.
 - Daily portfolio accounting (both net asset and unit values, including investment manager graduated fee schedule accruals)
 - Manager reconciliations.
 - Tax lot accounting.
 - Foreign tax reclaims.
 - Receipt, safeguarding and delivery of securities.
 - Performance measurement and analytics.
2. **Commingled Investments.** On a daily basis, for all the commingled investments (e.g. institutional commingled funds, mutual funds, etc.):
- Reporting and record keeping.
 - Reconciliation of cash flows.
 - Daily portfolio accounting (including investment manager graduated fee schedule accruals and 12b-1 rebates).
 - Manager reconciliations.
 - Performance measurement and analytics.
3. **Cash Management.** The custodian will be responsible for the following activities for the daily investing of the liquid cash for the STIF account within the Income Fund:
- Daily investing of cash.
 - Accounting of cash positions.
 - Daily portfolio accounting.
 - Reporting.
 - Post the receipt of incoming wires to custodial accounts on the same day.
 - Collection and posting of interest and dividends on payable date.
4. **Overall Services.** Custodial responsibilities as they pertain to the overall portfolio, including the following:
- Access to an on-line system for financial data daily, weekly, quarterly, monthly and annually.
 - Interfacing with the each plan's recordkeeper.
 - Physical securities retention and administration.
 - Transition and conversion of all historical data from existing custodian (if necessary) on a timely basis.
 - Data retention.
 - Ongoing staff training as it relates to custody and the custodian's policies and systems
 - Prompt response to client emails and phone calls.
 - The ability to construct custom benchmarks for target date funds or other custom portfolios.

Commonwealth-Sponsored Retirement Plan for Employees of Non-Profit Organizations

*** The State Treasurer and Receiver-General reserves the right to contract with the Bidder(s) that are awarded the contract(s) under this RFR and who contract with the Commonwealth's Deferred Compensation Plan, to provide the same or similar services contemplated by this RFR, under the same or similar terms and at the same proposed and agreed-upon cost for any Commonwealth sponsored retirement plan(s) established for employees of non-profit organizations. (Please be advised that the legislation currently being contemplated is House Bill 3754). The Office of the State Treasurer and Receiver-General, at the direction of the State Treasurer and Receiver-General, may at its option contract with such Bidder(s) for such services for the alternate retirement plan contemplated in House

Bill 3754 or any similar bill that comes fruition at any time during the term (initial and extension) contemplated under this RFR.

B. PHASE TWO QUESTIONNAIRES

Along with the above-reference mandatory requirements, the Bidder must submit responses to the following Questionnaire: SECTION VII – Custody Services.

II. PHASE TWO QUESTIONNAIRE – Custody Services

COMMONWEALTH OF MASSACHUSETTS IRC 457 DEFERRED COMPENSATION PLAN & COMMONWEALTH SPONSORED NON-PROFIT PLAN CUSTODY SERVICES RFR

FIRM NAME: _____

ADDRESS: _____

TELEPHONE #: _____

FACSIMILE #: _____

E-MAIL ADDRESS: _____

CLIENT CONTACT: _____

SIGNATURE: _____

NAME (PRINT): _____

TITLE: _____

DATE: _____

A. ORGANIZATIONAL OVERVIEW

1. Briefly describe each of your organization's core business units and the percentage of revenue and earnings derived from each.
2. Describe any organizational changes that occurred or were announced during the past 2 years (e.g., mergers, acquisitions, structural changes, departures of key personnel). How do you plan to integrate these changes into your current organization? What will be the impact of these changes on client relationships?
3. What are your organization's total assets and capital base?

4. Briefly describe your master custody service capabilities including those items that currently set you apart from your competition. What percentage of the organization's revenue comes from the custody division? What is the absolute dollar amount of custody-related revenue?
5. What portion of the custody division's revenue is derived from plan sponsors and asset owners versus mutual funds? Please provide the distribution of custody revenue from U.S. and non-U.S. based clients.
6. List and briefly describe any new custody services/product improvements that have been released in the past two years and will be released within the next year.
7. Please list any litigation or regulatory issues that the organization has faced in the last 3 years. If resolved, please indicate if findings were in the firm's favor or if settlement or penalties, or other fines/payments, were required.
8. Please list if there have been any material weaknesses based on the most recent SSAE16 review. Please also provide a copy of the most recent SSAE16 report(s).
9. What were your organization's long term and short term credit ratings as of 9/30/11, 12/31/10, 12/31/09, 12/31/08 and 12/31/07? Please provide the ratings from all service organizations who review your organization's financial standing.

B. CLIENT SERVICE & CUSTODY BACKGROUND

1. Briefly describe the structure of the area of your organization that provides institutional custody services. Please name all key personnel in the area and include a short summary of each individual's background. Please identify any recent changes to the area's structure or staffing.
2. Please describe your organization's approach to custody client staffing (e.g., team, relationship manager supported by several areas), including a description of the client service arrangement you will provide to Client.
3. Please also describe your backup plans to service Client in the event that a member of the service team is unavailable.
4. Do the client service personnel maintain a procedures manual for each client? What is the typical content of such a manual?
5. Describe your issue resolution process from notification through escalation and resolution, including any automated tools used.
6. Does your organization segregate client service teams by client type or assets? Please describe what group will be responsible for *Client*.

7. Describe the responsibilities of each person assigned to a typical custody relationship. Describe what type of training is provided to promote professional development, as well as what type of education and/or training is required for an entry level client service team member. In addition, please provide the location of the proposed relationship manager and client service team. If the teams will be in different locations, please explain how this will be coordinated. Please provide the requested information below for the following individuals and any other key individuals: Relationship Manager, Client Service Officer, Accounting Analyst, and Performance Analyst.

Name	Role	Location	Number of Client Relationships	Years with Organization	Years of Industry Experience

8. Please provide the following information:
- Average client-to-relationship manager ratio;
 - Average client-to-client service representative ratio;
 - Average client-to-accounting analyst ratio;
 - Average client-to-performance analyst ratio;
 - Average years of custody experience and # of years with the firm for relationship managers;
 - Total institutional custody employees; and
 - Number of custody relationship managers
9. Does your organization have a separate operational group dedicated to alternatives administration (e.g., handling capital call/distribution services for custody clients)? If yes, please describe.
10. Discuss your organization's offerings for training and continuing education for clients.
11. Please provide the following information.
- Mean custody account size;
 - Median custody account size; and
 - Custody clients and custody assets gained/lost in the past two years. Reasons for lost clients.
12. Please provide the total assets and number of current U.S.-based custody clients (do not include non-U.S. based clients) by type. If you do not have this information for U.S.-based custody clients only, please provide a description of the data that you can provide.

As of September 30, 2011

	<i>No. of clients</i>							Total Assets \$ bn
	<\$100mm	\$100 to \$500mm	\$500mm to \$1 bn	\$1 to \$5 bn	\$5 to \$15 bn	>\$15 bn	Total Clients	
Corporate								
Taft-Hartley								
Public								
Endowments/Foundations								
Insurance								
Defined Contribution								
Mutual Funds								
Other (please specify)								
Total								

13. Please provide the total value of assets under custody including *both* U.S. and non-U.S. based clients as of 9/30/11.

14. Does your organization have a client advisory board? If so, what is the role of said Board, who participates, and how often does the Board meet? Also, please describe any new initiatives that started at the client advisory board level.

C. SECURITIES PROCESSING

1. Describe your settlement process for domestic and international securities transactions, including depositories used and your involvement with them. If you use a central depository, is your firm a direct participant in that depository? Please provide your average daily transaction volume by depository.
2. How are you made aware of settlement problems and at what time (how soon after settlement date)?
3. Please define the resolution process and tracking of failed trades.
4. How do you handle information on corporate activities (i.e., tender offers, exchange offers, etc.)?
5. What sources are used for dividend information and corporate actions?
6. Describe how you distribute proxy information. What controls, if any, are in place to ensure receipt and timely distribution?

7. Do you provide monitoring on class action lawsuits? Describe your standard service including the claims management process and reporting requirements. Do you provide additional services related to class actions?
8. Please describe, in detail, your procedures for trade processing instructions.
9. Describe your contractual settlement date policy. Describe how your organization employs crediting funds with respect to contractual settlement and actual settlement date.

D. CASH MANAGEMENT

1. Describe your cash management policies and procedures regarding the purchase and sale of securities and receipt of income.
2. What are your policies and procedures for investing daily surplus cash balances that are not used by investment managers?
3. Please include a description of all available cash management vehicles. Include all fees, frequency of fund opening/valuation and annual yield through 9/30/11 and for the past three prior calendar years (2010, 2009, 2008).
4. Please provide a description of your cash management capabilities including the team, process, risk analysis, credit analysis and approval, etc.
5. Please describe controls that are in place to protect against fraud or unauthorized entries, withdrawals, and transfers. Include such controls as identifying stolen checks.
6. Please provide a copy of the investment guidelines for the proposed cash vehicle(s).
7. Have any of your short-term investment funds utilized for overnight cash sweep ever broken-the-buck? If so, please explain the circumstances of the default, recovery of investment, allocation of loss, etc. Did any participants incur a loss or experience any liquidity restrictions? If so, please explain.
8. If the answer to #7 above was yes, have you made any adjustments to your investment guidelines/policies to avoid a similar problem? Did the firm put up any capital support or share in the losses with clients? If so, please explain.
9. What is the daily notification deadline for outgoing wire transfers?
10. What is the daily deadline for receiving incoming wire transfers in order to ensure same-day investment?

11. Do you have a system online that can be utilized for cash wires? Please describe including the ability to customize access at the client to ensure wires are entered and approved by appropriate individuals.
12. Do you have the ability to provide a cash projection report? What components does the report include and how many days in the future does the report display?
13. Please provide information on overdraft charges and what, if any, overdraft protection you offer clients.
14. Can the client elect to utilize a fund that is not currently available on your platform? Please discuss whether the use of external funds would cause delays in cash sweep transactions or require an earlier cut-off time for transactions and measures that you would take to mitigate such issues.

E. SYSTEMS/DATA PROCESSING

1. Custody System

- a. Name and briefly describe your custody system. Where is the system located? When was the system introduced? How much downtime has the system experienced in each of the past two years?
- b. Is the custody system integrated with the performance, accounting, and reporting system? Discuss how the systems function together. Do all systems run on the same integrated platform? Are they integrated through the same interface? If applicable, please include a description of the processes that are used to ensure the data between systems reconciles.
- c. Do updates or changes to data on the custody system occur intra-day or do clients have to wait for the overnight process to run in order to view any changes?
- d. How much has your organization dedicated to custody-related hardware and software enhancements/upgrades during each of the past two years in dollar terms and as a percentage of total custody operating expenses?
- e. Briefly describe your planned system enhancements for the next three years. Will these enhancements be developed internally or purchased from an outside vendor? How much money have you committed to these enhancements for each of the next three years?
- f. Is the system dedicated to custody or shared with other units within your organization?
- g. Is the institutional custody operation supported by a dedicated data processing, programming and application development staff? How many programmers/analysts are assigned to the area?

- h. Briefly describe your custody backup, support and recovery systems.
- i. Please describe the security measures in place to protect against unauthorized access to the custody system.
- j. Describe your disaster recovery plan and procedure. Specifically, what back-up and recovery capabilities are in place in case of a catastrophic systemic malfunction and/or serious non-systemic emergencies (e.g. fire, floods...)? How many times in the last three years has a systems outage, malfunction or failure occurred in systems or communications that caused a delay in service to one or more clients?.

2. **Online Reporting System**

- a. Briefly describe your online reporting system (design, inquiry features, reporting capabilities, flexibility).
- b. What is the lag time between trade execution and the availability of transaction data on the online system?
- c. Do you offer on-site online systems training for clients?
- d. What specific types of legacy client data can be back loaded into your systems? How far back can legacy data be back loaded?
- e. How many years of data does your system have available on-line? Does this include back loaded legacy data? If the amount varies by data type or system - custody versus accounting versus performance - break out by type.
- f. Do you have drill down capabilities ("look through") for commingled funds? If so, please describe your process for obtaining this information and verifying the accuracy of the information. Can these accounts be included in holdings based analysis and attribution? How successful have you been in obtaining holdings from managers in a timely manner? Please provide how many investment managers you currently receive monthly holdings for.
- g. Please provide the following information related to your online system:
 - i. Name;
 - ii. Version and release date;
 - iii. Consultant access (yes/no);
 - iv. Online delivery of accounting reports (yes/no);
 - v. Frequency of data;
 - vi. Downloadable to Excel (yes/no);
 - vii. Help desk staff (number of employees) and hours;

- viii. Ad hoc report generator (yes/no). If yes, please provide additional detail on this capability; and
- ix. Dedicated support contact and back-up contact.

F. DERIVATIVE SERVICING

1. Please describe in detail the derivative services you offer to clients (e.g. collateral management, valuations, reconciliation, servicing, trade capture, etc.)
2. Do you have different levels of service available for each of the services described above? If so, please explain.
3. Please describe the structure of the team that supports derivative servicing including biographies on the key individuals and locations.
4. When marking collateral with the dealer, do you rely on the dealer's price or are you using an independent, third party valuation?
5. For reconciliation, do you follow the guidelines set by ISDA on which attributes should be reconciled for each type of derivative? If not, how do you determine which attributes to reconcile?
6. Please describe the electronic tools you utilize to provide these services. Please specify if they are proprietary, off-the-shelf, or a combination.
7. How many derivative products are you able to provide these services for?
8. Are these services typically included in the custody fee or are they priced separately? If priced separately, please provide the pricing methodology.
9. How many clients are currently using these services? Please break down by client type (i.e. public fund, endowment/foundation/non-profit, corporate, insurance, bank, sovereign, RIA).
10. Please provide a sample derivative reporting package that is provided to clients.
11. Do clients have access to information online? If so, please describe.

G. ACCOUNTING/REPORTING

1. Describe your system of quality control to ensure reporting accuracy. Are reports audited before they are delivered to clients? Who audits and corrects reports?
2. Will Client have a dedicated accounting team? Where are the accounting teams located? Where are reports produced?

3. Describe your process of restating incorrect accounting statements and publishing new reports.
4. If a report were requested on an ad hoc basis, how soon would it be available after the initial request?
5. Provide a schedule indicating the delivery time frames for unaudited and audited accounting reports/information and performance measurement calculations/analytics (universe data, indices data, etc.). (Be specific, e.g., audited statements will be available to the client on the ___ business day after month-end.)
6. What consequences are in place for missed accounting and performance deadlines? What action is taken towards the client and internally to rectify the issue and avoid more missed deadlines?
7. Please provide sample reports that reflect the traditional custody reporting package.
8. Are you able to provide statements on an accrual/trade date basis showing both realized and unrealized capital gains and pending transactions?
9. How long do you retain historical information/statements (asset values and transactions)?
10. Describe the bank's procedures to verify that transactions and holdings statements balance with those of investment managers. How do you resolve differences?
11. What is your source of securities prices? What procedures ensure accurate pricing? What procedures do you have in effect, if any, to flag and investigate unusual or significant pricing changes from the previous day? What are the tolerance levels for pricing discrepancies? Describe your procedures for reconciling prices with investment managers.
12. How do you price securities that are not available from your pricing service, such as private placements? Describe your process of pricing derivative securities and non-traditional fixed income securities (144As, etc.).
13. Do you maintain a record of the original face amount purchased with regard to pass-through investments, such as GNMA's, FHLMA's and FNMA's?
14. Does the accounting system have GASB 40 reporting capability? If so, please explain the reporting capability and specifically address the reporting of the Deposit and Investment Risk Disclosures associated with GASB 40.
15. Does the accounting system have FAS 157 reporting capability? If so, please explain the reporting capability and specifically address how Tiers are determined.
16. Can Form 5500 reporting be generated? What is the timing for sending annual and 5500 reports? Can the fee information for Form 5500 Schedule C be sent electronically?

17. How is Form 5500 gain/loss reconciled to accounting gain/loss?
18. Specific to the annual filing of Form 5500 can you provide the following:
 - a. Year-End annual reports for fixed income securities segregated and disclosed by bond “ratings”.
 - b. 5% transactions. Single transaction as well as series of transaction.
 - c. List of pending trades.
 - d. Listing of acquisitions and dispositions for the year by manager and/or on a consolidated basis
 - e. Details of capital changes, i.e. stock dividends, splits, etc.
 - f. Listing of service provider fees.
19. Please describe enhanced reporting capabilities for alternative investments (i.e. private equity, real estate, hedge funds).
20. What types of commission/transaction cost reports are available?
21. Please describe your capabilities in plan accounting and unitization. Describe the accounting methodologies used.
22. Please provide the number of clients for which you provide your plan accounting or unitization services.
23. Describe your daily valuation discipline.
24. What is the total number of clients for which you currently provide daily valuation services to?
How many clients do you provide monthly valuation services to?
25. Specify the calculation methodology or formula used for daily NAV. What system is used (i.e. internal, InvestOne, etc.)?
26. Please describe your processes used to strike a daily NAV.
27. What is your current policy on materiality or threshold limits on NAV errors on a monthly and daily basis?

H. PERFORMANCE MEASUREMENT/ANALYTICS

1. Describe in detail the basic performance measurement and analytics services currently available to institutional custody clients. How many clients currently use these services? What percentage of custody clients use performance measurement and analytics services?
2. What percentage of the organization’s top line revenues does the performance and analytic services provide?

3. Can you please describe the methodology used to calculate performance for each asset class? Do you offer the ability to calculate performance for each asset class using both time-weighted and dollar-weighted calculation methodologies? Also, please discuss how your performance calculation system accounts for cash flows, both large and small.
4. Can you provide performance on the basis of gross-of-fees and net-of-fees?
5. Please provide a broad range of examples of the performance analytics available to clients.
6. What procedures exist to verify the accuracy of rates of return? Do you have a procedure to verify returns with investment managers? What percentage of the returns that you calculate are verified with investment managers?
7. How do the performance analysts interact with the accounting analysts? In the event of an accounting error or the need for an accounting correction, please explain the process and how both analysts would work through the process together.
8. How frequently (quarterly/monthly) are performance calculations prepared and how soon after the end of the period are they available?
9. Do you provide attribution reports? If so, please discuss how attribution is calculated and what attribution reports are available (total fund, asset class level, etc.)
10. Do you offer universe comparisons? If so, comment on your capabilities and construction approach. Are you able to offer universe comparison at the total fund, asset class, and manager level? Does your universe data consist solely of custody clients? Please provide a sample quarterly universe report.
11. Can clients access performance measurement and analytics through your online system? If not, is there a planned release date for this capability?
12. Describe in detail your performance measurement and analytic services for alternatives and the ability to adjust for lagged measures? Describe the treatment of distributions, capital calls, and fees.
13. What market data is available to clients? Are you able to construct custom benchmarks? Do you provide information on benchmark characteristics?
14. Do you have the ability for clients to re-run performance with updated private asset class valuations without re-opening the accounting books? If so, please describe how many clients are currently following this methodology and the process employed to allow this type of reporting.
15. Please describe the hedge fund services that you provide to clients including valuation, pricing, reporting frequency, etc.
16. What type of hedge fund risk analytic services do you have and what systems do you utilize to assist clients with their hedge fund reporting and evaluation?

17. What analytics do you have available for hedge fund investments? Please provide a description as well as a sample reporting package. What data do you need in order to produce these reports?

I. RISK/COMPLIANCE MONITORING

1. Do you offer a system for monitoring a client's investment managers for compliance with investment guidelines? If so, does it offer:
 - a. Portfolio holding tests (tests performed on the portfolio data i.e., test the maximum total domestic equity as a percent of total assets)?
 - b. External data tests (tests that require data available from external database sources i.e., credit ratings of fixed income instruments)?
 - c. Derivatives tests (tests that measure the exposure to derivative instruments)?
 - d. Risk management tests (tests that measure the risks associated with individual portfolios as well as the total fund (i.e., value-at-risk analysis)?
2. Is this compliance monitoring system a feature of your online system? If so, what was the release date and how many clients are currently using it? If not, is there a proposed release date?
3. Comment on your ability to monitor an investment manager's trades for extreme positions that could indicate unauthorized/rogue trading. Can these trades be identified before settlement?
4. Please describe your interaction with the client in notifying them of violations. If you have various service models associated with compliance, please describe them and indicate any fee differences that exist between the different service models.

J. GLOBAL CUSTODY

1. Provide an overview of your global custody capabilities. Include when you began offering global custody services and how you differentiate yourself from the competition.
2. List the number of U.S. clients and the number of portfolios for which you have global custody. Please also include the total amount of non-U.S. assets under custody.
3. Do you use international central depositories for clearing and/or holding?
4. Do you have multi-currency accounting and reporting capabilities? Please describe.
5. Do you process tax reclaims? Describe the process for monitoring and reclaiming foreign taxes in a timely manner.
6. Describe your procedures related to proxy voting as it relates to non-U.S. assets.
7. Does your insurance cover all of your global custody activities?

8. Are you currently on the SWIFT system?
9. How many sub-custodians are in your network and how are they selected and subsequently monitored? Please provide a list of all sub-custodians used to provide international custody services with the corresponding countries and indicate the number of years that each has acted in that capacity for you.
10. How often do you review the performance of sub-custodians and visit their offices?
11. How many new markets were added in the last two years? Please list these markets. Are there any new markets that are currently in the process of being added?
12. Are you electronically linked with your sub-custodian depositories and networks? Describe the platform.
13. How are requirements of STP processing addressed with your sub-custody depositories and networks?
14. Do clients have the ability to select their own FX broker? What is the fee/rate if you were to execute FX on the client's behalf? What fee would be charged if an investment manager utilized an external broker to execute foreign currency transactions?
15. Describe your foreign currency management capabilities.
16. Are foreign currency trade fails reviewed independently and reported to the client?
17. Do you have 24 hour access to the FX markets and are you able to execute at the inter-bank market?
18. Do you rely on local brokers to execute foreign currency and settle trades? Do you have an independent review and documentation of the quality and execution costs of the local brokers
19. Who is primarily responsible within the organization for FX trading? Do you have a team dedicated to FX trading? Please send a short biography of the key individuals involved in FX trading
20. What is your level of transparency regarding all FX transactions?
21. Are FX trades time-stamped?
22. Please describe how you execute negotiated FX transactions.
23. What do you use as a benchmark for FX trades when evaluating execution quality?
24. Do you ever trade FX with an affiliate?

25. With how many counterparties do you trade with? What is the breakout of trading among these counterparties over the last one-year period?
26. Please describe your counterparty risk management program as it relates to FX trading.
27. Describe in detail your process for executing FX trades for restricted securities (ex: emerging markets).
28. If not already disclosed above, the Bidder should provide full disclosure of its foreign exchange policies and procedures. Please also be advised that any Bidder awarded a contract under this RFR should expect negotiations on this point,

K. SECURITIES LENDING

1. Describe your securities lending services and capabilities (domestic and international).
2. Describe your methodology for selecting borrowers and reviewing credit worthiness.
3. Describe your methodology to ensure that all participating clients have an equal opportunity to lend their securities.
4. Do you charge management fees for the investment of securities lending collateral? If so, please include a fee schedule in response to this question with your separate sealed Cost Proposal (Attachments A). (You should not provide specifics of these fees in the main body of your RFR response).
5. Please describe the team and process for managing the cash collateral portfolios.
6. Can investment guidelines be customized for cash collateral reinvestment?
7. Please provide characteristics and investment guidelines for the cash collateral pools available to clients.
8. Have any investments entered into default in your securities lending collateral investments during the past five years? If so, please explain the circumstances of the default, recovery of investment, allocation of loss, etc. Did any participants incur a loss? Were there any adjustments made to your investment guidelines/policies to avoid a similar problem?
9. Have any of your borrowers defaulted? If yes, were you able to make a full recovery without loss to clients? If not, what were the extent of the losses?
10. Please define the level of indemnification related to counterparty exposure that is provided to clients. Also, please describe which circumstances or events are covered under the indemnification provided. Please include the contract language that addresses indemnification here.

11. What types of reports are available to inform clients of lending activity, lending income and collateral investments? Please provide samples.
12. Does your lending program allow clients to set the collateral requirements, including valuation limits? If not, what limits do you set?
13. Do you value collateral on a daily basis? Do you include accrued income in the valuation?
14. How do you coordinate lending activity with investment managers? Is it invisible to the investment managers? When is notification of security sales required? Who incurs the cost of a failed trade related to the inability of the securities lender to recall the security in time to settle a trade?
15. If you are a third-party securities lending agent, how do you coordinate lending activity with the custodian? Do you have systems set up to ensure seamless transmission of data between yourself and the custodian? Name the custodians you work with?
16. Please provide the following information:
 - a. Inception date of lending program;
 - b. Number of participating clients;
 - c. Lendable base;
 - d. Average daily balance of securities loaned over the past year;
 - e. Domestic collateral requirement (%);
 - f. International collateral requirement (%);
 - g. Number of borrowers;
 - h. Location of lending offices;
 - i. 24 hour lending (yes/no);
 - j. System for monitoring policy compliance (yes/no); and
 - k. Online monitoring of collateral investment (yes/no).
17. What % of your total custody revenue does securities lending represent?
18. How do your securities lending program and proprietary index fund offering function? Do your proprietary index funds invest in the same collateral pools as your custody clients?
19. Do you have the ability to customize a client's securities lending program to only lend out securities that will earn a minimum rebate rate or more as specified by the client?
20. Please describe your loss sharing arrangement with your securities lending clients.
21. Please provide the following information as of *September 30, 2011*:

Asset Type	Daily Average Lendable Base (over last 12 months)	% on Loan	Loans Outstanding	Average Investing Spread	Average Intrinsic Spread	Average Spread
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U.S. Equity						
U.S. Treasuries						
U.S. Agencies						
U.S. Corporate Debt						
Non-U.S. Equity						
Non-U.S. Debt						

L. TRANSITION PROCESS

1. What dedicated resources (personnel, equipment, training of personnel, consultants, etc.), procedures and controls will you provide or recommend in the transition/conversion period to ensure that the transition process is completed successfully in both a timely and accurate manner?
2. What fees or costs do you expect the client will incur as part of the transition process other than fees that the existing custodian may levy on transfer of securities?
3. Describe any training you would provide to the client's staff during the transition.
4. How do you ensure sufficient control during the transition period to assure that the process is successfully completed in both an accurate and timely manner?
5. What specific types of legacy client data can be back loaded into your systems? How far back can legacy data be back loaded?

Attachment A – Cost Proposal

COMMONWEALTH OF MASSACHUSETTS IRC 457 DEFERRED COMPENSATION PLAN – CUSTODY SERVICES RFR (& Commonwealth Sponsored Non-Profit Plan)

FIRM _____

RFR _____

Provide a proposed fee schedule for the custody services identified in this RFR. This Attachment A should be submitted in a separate sealed envelope from the rest of the bid and should be signed by an individual authorized to bind the firm.

Once a custodian(s) has been selected, negotiations of the fee may become necessary in order to account for the size of funding, the increments of funding, and any clarification. In no case will the negotiations result in a fee that is higher than the fee contained in the proposal.

Proposed Fees

1. Respondent must submit an annual fee for all services as described under "SCOPE OF SERVICES" of this RFR.

All-Inclusive Flat Fee - Year 1 \$

All-Inclusive Flat Fee - Year 2 \$

All-Inclusive Flat Fee - Year 3 \$

TOTAL FEES (Years 1 -3) \$ _____

2. Include supporting pricing assumptions that contributed to your fee bid in Question #1. Please include all fee rates, even where there are no applicable volumes. Please assume that all volumes supplied are annualized numbers.
3. What would be the additional charge for performance measurement services? What services and/or products are included in this charge? (Please be specific in pricing the different levels of service)
4. Specifically list the fees for each STIF option. Assume an average STIF exposure of \$5 million.
5. List any fee charged for FX execution.
6. List any fee charged for restricted security (emerging markets) transactions.
7. List any other fee or charge that would be applicable for this fund.
8. Disclose all fee relationships with the Commonwealth's current managers and recordkeeper and complete the table below if applicable.

Manager/Recordkeeper	Service	Fee

Name of Firm

Date

Signature

Title

Attachment B

REPRESENTATIONS AND WARRANTIES

Compliance with all criteria listed below is mandatory in order for a bid to be accepted for further review. Lack of compliance will automatically disqualify the bidder. All respondents are required to submit an executed copy of the *Representations and Warranties*.

The Treasury requests that you submit this *Representations and Warranties*, on your letterhead, signed by an individual with the authority to bind the firm. The Bidder MUST address/respond to each of the requirements/criteria listed in this section.

1. Bidder warrants that it meets, or will meet before the award of the Contract, the bonding requirement provided by Section 412 of the Employment Retirement Income Security Act of 1974 (ERISA) or that it carries at least an equivalent fidelity bond that will be applicable to respondent's actions under that Contract. **(Provide a copy or proof of a fidelity bond indicating that all employees who perform work under the contract are covered, unless exempt, and an explanation of exemption is attached).**
2. Bidder warrants that it maintains an errors and omissions insurance policy as well as fiduciary liability insurance providing a prudent amount of coverage for negligent acts or omissions and that such coverage will be applicable to bidder's actions under the Contract.
3. Bidder warrants that it will not delegate its fiduciary responsibilities assumed under the Contract.
4. Bidder warrants that it has completed, obtained, and performed all registrations, filings, approvals, authorizations, consents or examinations required by a government or governmental authority for acts contemplated by the Contract.
5. Bidder warrants that it agrees to meet every specification, requirement, or condition set forth in the RFR and any additional contract document executed by the parties.
6. Bidder warrants that it meets all of the minimum qualifications applicable to the firm under this RFR as follows:

Please list each minimum requirement and specifically describe how your firm meets the applicable minimum qualifications specified in Section V.A. You must provide this information, as well as a signature on the bottom of this document or your submission may not be processed.

- a. *As of September 30, 2011, greater than \$1 trillion in assets under custody.*
- b. *As of September 30, 2011, a minimum of 10 defined contributions clients.*
- c. *Minimum of 10 years of global trust/custody service experience.*
- d. *Must have a fully integrated global accounting system that is capable of providing daily valuation.*
- e. *Must execute all non- restricted FX transactions via negotiated trades.*
- f. *Ability to provide daily NAV calculations for unitized separate account vehicles.*
- g. *Ability to provide global custody services.*

Name of Firm

Date

Signature

Title

Attachment C
COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE STATE TREASURER AND RECEIVER-GENERAL
DISCLOSURE STATEMENT

FIRM: _____
ADDRESS: _____

Firms seeking to provide investment management, consulting, custody, recordkeeping, auditing and other professional services (the “engagement”) to the Commonwealth of Massachusetts Office of the State Treasurer and Receiver-General in general, and in particular, to the Commonwealth of Massachusetts Deferred Compensation Plan (“Plan”) must complete a disclosure statement providing complete and accurate responses to the questions below. Firms selected to such services to the Office of the State Treasurer and Receiver-General have a continuing obligation to update responses to these questions, in writing, immediately upon any change to such responses. The questions in this Disclosure Statement should be read broadly, and any perceived ambiguity should be resolved in favor of disclosure. Any questions concerning the disclosures required should be directed to the Office of the State Treasurer and Receiver-General.

1. Describe in detail your firm’s organizational structure, and identify any controlling stockholders, parents, subsidiaries, affiliates, partners, general partners, or principals (all such individuals or entities hereinafter collectively referred to as the “firm.”)
2. Identify any relationship of the firm, its joint ventures, consultants, lobbyists, subcontractors, agents, or placement agents that relate in any way to the engagement.
3. Aside from the engagement, describe any services provided by the firm to the Commonwealth.
4. Aside from the services described in response to Question 3, above, describe any services provided by the firm to the Office of the State Treasurer and Receiver-General or any trust, board, commission or authority of which the State Treasurer and Receiver-General is a member or trustee. (A list of such entities is attached as Appendix A).
5. Aside from the services described in responses to Questions 3 and 4, above, describe any services provided by the firm to the Commonwealth of Massachusetts or any of its political subdivisions.
6. Did or will the firm provide or share, agree to provide or share, or arrange to provide or share any compensation or benefit, direct or indirect, to any individual or entity for assisting the firm in:
 - a) obtaining the engagement; or,
 - b) performing the services required by the engagement.

If the answer to Question 6 is “yes,” provide for each the individual or entity:

- a) the name and address of such individual or entity;
 - b) a description of the assistance provided; and
 - c) the compensation or benefit.
7. Does the firm have any ongoing relationship, arrangement or agreement with any individual or entity with respect to sharing compensation for services to:

- a) PRIM;
- b) any trust, board, commission, or authority of which the Treasurer is a member or trustee; or
- c) the Commonwealth of Massachusetts or its political subdivisions.

If the answer to Question 7 is “yes,” provide for each such individual or entity:

- a) the name and address of such individual or entity;
- b) a description of the relationship, arrangement or agreement; and,
- c) the compensation shared.

Signed under the pains and penalties of this _____ day of _____, 201 ____.

Name: _____
(Print)

Signature: _____

Title: _____

Attachment D

Mandatory Attachment Checklist (Complete and attach to the cover letter)

Firm Name: _____

Mandatory items as detailed in Section V, subsection C.

(Check appropriate box to insure item is completed and submitted).

- | | |
|--|---|
| 1. Cover Letter | Yes <input type="checkbox"/> (signed) |
| 2. Executive Summary | Yes <input type="checkbox"/> (completed) |
| 3. Questionnaire(s) (Sections IIV, VIII and/or XI) | Yes <input type="checkbox"/> (completed) |
| 4. Deferred Compensation Cost Proposal (Attachment A) | Yes <input type="checkbox"/> (signed) |
| 5. Reps/Warranties (Attachment B) | Yes <input type="checkbox"/> (signed) |
| 6. Disclosure Statement (Attachment C) | Yes <input type="checkbox"/> (signed) |
| 7. Consultant Contractor Mandatory Submission Form | Yes <input type="checkbox"/> (completed/signed) |
| 8. Commonwealth Terms & Conditions | Yes <input type="checkbox"/> (signed) |
| 9. Standard Contract Form & Instructions | Yes <input type="checkbox"/> (signed) |
| 10. Taxpayer Identification Number and Certification (W-9) | Yes <input type="checkbox"/> (signed) |
| 11. Contractor Authorized Signature Verification Form | Yes <input type="checkbox"/> (signed & notarized) |
| 12. Business Reference Form | Yes <input type="checkbox"/> (in addition to questionnaire info.) |
| 13. Tax Compliance Certification Form | Yes <input type="checkbox"/> (certificate / proof of application) |
| 14. Treasury Supplier Diversity Program (TSDP) Plan Form | Yes <input type="checkbox"/> (completed/signed) |
| 15. Invest in Massachusetts Data (IMD) Form | Yes <input type="checkbox"/> (completed/signed) |
| 16. Certificate of Non-Collusion | Yes <input type="checkbox"/> (signed) |
| 17. Fidelity Bond or Certificate of Liability Insurance | Yes <input type="checkbox"/> |
| 18. ADV Form I | Yes <input type="checkbox"/> |
| 19. Executive Order 504 Form | Yes <input type="checkbox"/> (signed) |

Appendix A

TREASURER’S PRINCIPAL BOARDS, COMMISSIONS AND AUTHORITIES*

1. Finance Advisory Board - M.G.L. c. 6, § 97-8
2. Advisory Board to the Comptroller - M.G.L. c. 7A, § 2
3. Investment Advisory Council - M.G.L. c. 10, § 5B
4. State Retirement Board - M.G.L. c. 10, § 18
5. State Lottery Commission - M.G.L. c. 10, § 23
6. Board of Bank Incorporation - M.G.L. c. 26, § 5
(Division of Banks and Loan Agencies)
7. Water Pollution Abatement Trust - M.G.L. c. 29C, §2
8. Pension Reserves Investment Management Board - M.G.L. c. 32, § 23(2A)
9. Massachusetts School Building Authority – M.G.L. c. 70B, §§ 1A & 3A; *see also* M.G.L. c. 10, § 35BB
10. Teachers’ Retirement Board – M.G.L. c. 15, § 16
11. Alcoholic Beverages Control Commission – M.G.L. c. 10, § 70
12. Commonwealth Covenant Fund – M.G.L. c. 10, § 35EE
13. Health Care Security Trust – M.G.L. c. 10, § 4
14. Commissioners on fireman’s relief – M.G.L. c. 10, § 21
15. Retirement Law Commission – M.G.L. 10, §35I

*Positions on these Boards, Commissions or Authorities may be held by the State Treasurer and Receiver-General, his designee, or an individual appointed by him.